

GLEN HOUSING ASSOCIATION
MINUTE OF THE BOARD OF MANAGEMENT MEETING
WEDNESDAY 21st SEPTEMBER 2022

PRESENT: Graham Ross (GR)
Isobel Muirhead (IM)
Josie Smith (JS)
Barry Allan (BA)
Shane Garrioch (SG)
Trevor Newman (TN)
Stuart Thomson (ST)

IN ATTENDANCE: T Thomson (TT), Thomson Cooper
A Dickie (AD)
I Byers (IB)
K Milne (KM)

1. APOLOGIES & DISCLOSURES OF INTEREST

Apologies: J McArthur (JMc)
P Milne (PM)

Declarations of Interest: None

GR handed over to AD to Chair Agenda Item 2.1

2. ELECTION OF OFFICE BEARERS, COMMITTEE MEMBERSHIP, FORMAL REPRESENTATIVES AND APPROVED SIGNATORIES

2.1 As per discussion at the August meeting, GR had confirmed his agreement to serve as Chair, BA had intimated he would be happy to stand for Vice-Chair.

No other members came forward, therefore AD invited formal nomination for the role of Chairperson

Chairperson:

Graham Ross (GR) was nominated by JS, seconded by TN, and duly elected.

AD then invited formal nomination for the role of Vice-Chair and Secretary:

Vice Chair:

Barry Allan (BA) was nominated by TN, seconded by JS and duly elected.

Secretary:

IM was nominated by BA, seconded by GR and duly elected.

Prior to handing over to GR, AD confirmed that it had been her impression that Heather Murray would be attending this one last meeting. However, this not being the case, she had been in touch with Heather and confirmed that she will hopefully be able to attend the November meeting for a photo and presentation, with the intention to put something in the Housing press, given Heather's long service to Glen Housing Association.

2.2 Committee Membership

GR took the Chair, thanking Members for their votes of confidence and thereafter invited members to come forward to serve on the following Committees, or for those already serving on them, to confirm their intention to continue serving.

a) Audit Committee - twice yearly meetings

Current membership – JS, AC, BA and TN.

No further interest – confirmed membership – JS, BA & TN. AC still to confirm.

b) Health & Safety Committee

Current membership – IM, SG, AD and KM

No further interest – confirmed membership – IM, SG, AD and KM

c) Formal Representatives

Current EVH Representative – noted in papers as RM but changed to GR last year – GR confirmed happy to continue to serve as EVH Representative.

Current SFHA Representative – JS – confirmed she is happy to continue to serve as SFHA Representative.

d) Approved Signatories

The following signatories were considered appropriate and were therefore approved:

For all purposes including, cheques, BACS, CHAPS payments, Housing Directorate and Loan Agreement approvals:

Graham Ross (In capacity as Chair)
Isobel Muirhead (In capacity as Secretary)
Josie Smith (In capacity as Board Member)
Anne Dickie (Director)
Ian Byers (Housing Manager)

Use of Seal:

IM (in capacity as Secretary) plus any two Board Members (As per the General Regulations).

3. MINUTES

3.1 Minute of Board of Management Meeting 24th August 2022

The above Minute was proposed by TN, seconded by BA and approved as a true record of the meeting with the following amendments:

Item 1 - Apologies – add Tracy Thomson.

Item 4.1 – amend the first sentence to read “.....following input from all Board Members”.

3.2 Matters Arising from the above Minute

3.2.1 AD referred to the pre-meeting discussion on IT equipment for Board Members and asked for clarity on this as she had not been at that meeting. No members came forward with any IT equipment requests, however there was discussion about the preferred method of receiving the monthly Board papers. AD to seek confirmation by email from Members on their preferences:

1. Hard copy posted
2. Electronic copy only
3. Electronic copy prior to the meeting with a hard copy to be collected on the evening.

3.2.2 Item 3.5 External Audit Tender – AD confirmed that the unsuccessful tenderers had been notified.

3.2.3 Item 4.1 Board Appraisal Report – AD confirmed the intention is to meet with GR over the next month, to complete the Action Plan – annual leave and jury duty were the cause of the delay.

4. FINANCE AND STAFFING MATTERS

4.1 Financial Report for the year to 31/08/2022

TT presented this item and referred Members to the detailed report accompanying the accounts. The accounts as presented were **approved**.

4.1.1 Cash Summary, Page 11 – ST referred to the Insurance Proceeds received for the van write-off and asked if this was a negotiated price – KM confirmed it had been. TN asked if the vans had been fitted with dashcams yet and KM advised it was in progress, issues with finding a fitter. ST suggested, if not too late, to contact insurers and ask if they could advise.

4.1.2 GR referenced the recent Finance training session that some Members had missed and asked AD if there was a date for a further session – AD advised she would follow this up with Elaine Cromwell, Thomson Cooper.

4.2 Arrears Report to 31/08/2022

IB presented this report. The report was **approved** with the following discussed/clarified:

4.2.1 Table 1 – typo at Column C – 31.08.22 – should be +580

4.2.2 Table 2 – Breakdown of Arrears by Value

IB referred to the case in the +£2000 bracket and confirmed that this is a tenant who is on remand and has been for some time. This case was given a 2nd continuation at court, the reason given that the solicitor had been unable to speak to their client. Case being recalled mid October, however, in view of the recent announcement on emergency legislation for a moratorium on evictions (Agenda Item 5.1), it is unlikely that eviction will be granted on this one.

IB added that in view of this legislation likely being passed early October, he had carried out a quick exercise on how this could affect the Association using only the top 3 highest arrears cases – during the

period of the moratorium (now until at least 31st March), this will potentially add a further £12k to the arrears figure!

4.3 Gas Service & Maintenance Contract

IB presented this report for approval. Board agreed that the only other option would be to go out to tender again which would incur unnecessary expense, particularly as the current climate is seeing tender prices increasing by up to 40% in some cases.

The recommendation to award the Gas Servicing and Maintenance contract to Richard Irvin Facilities Management Ltd was therefore **approved**.

IB added that RIFM's biggest contract is with Midlothian Council and their systems are presently geared towards their needs, however, meetings to date would suggest that they are eager to work with us to meet ours, this may mean more admin work at our end.

4.4 Net Zero Group Recommendation

AD presented this report with the recommendation to Board to proceed with both items of work; the basic Stock Condition Survey by our QS, Hardies (£7,500 incl VAT), and the more detailed investigation led by Changeworks (£42,000 incl VAT). The recommendation was **approved**, however, not without much discussion on the pros/cons of the high expenditure and how this would be evidenced as a benefit to tenants.

4.4.1 TN asked if there had been a specific reason given as to why the application to the Net Zero Heat Fund had been unsuccessful. IB confirmed that the only reason given was that there had been too many similar applications.

4.4.2 JS referred to the proposed rent freeze legislation and voiced concerns over the £50k spend and what impact this would have on the budget.

AD/GR to take this into account in their discussions on the mid-year budget review – TT has already confirmed that this will have to come out of the revenue budget which will be a big hit.

AD concluded however, that it's imperative the Association has the best data possible to target capital expenditure in improving the energy efficiency of its stock, and this exercise will furnish us with that. BA added that the level of information gleaned could also benefit us in future funding applications. IB concurred, explaining of how more current data might determine a different course of action, which in the long term, will be more cost effective and bring better results for tenants too e.g. replacement window types could be determined by other factors like mechanical ventilation.

- 4.4.3 AD/IB confirmed that the surveys by Changeworks will take place in the winter months to ensure the energy efficiency data collected is 'real'.
- 4.4.4 GR asked if any of our peers were further ahead with Changeworks and could corroborate the data they are being provided with is what we would expect to see. IB confirmed that Fife Council have set up a Net Zero Group with all Fife Alliance partner organisations being members – there is a will to share information here and also the potential for making joint funding applications.
- 4.4.5 With reference to the application made for a further £49k funding to assist our tenants over the winter (Item. 3) – IB confirmed there had been no word on whether this was successful yet.

5. GOVERNANCE

5.1 Rent Freeze Announcement – September 2022

AD presented this report, highlighting a typo on Page 31 – first paragraph – date should be 31st March 2023.

Further to the report presented, AD gave a verbal update following the meeting which took place today with SFHA who are acting on behalf of the entire sector:

- Rent Freeze and evictions moratorium likely to extend past March 2023 and Social Sector won't be excluded.
- Major concerns around year 6 following a rent freeze in 2023. IB had modelled the effect of this and according to the business plan, our cash reserves would dip to -£2m, contradicting our policy of a minimum cash balance of £500k.
- Lenders are up in arms about covenants potentially being broken. AD referred to the modelling again, showing the -£2m which would breach Glen's covenants.
- Annual Assurance Statement – already discussed earlier – Regulatory Standard 3 – can't realistically state compliance.
- SFHA acknowledge this is a purely political decision. Real disappointment in the Govt as they know enough about Social Housing to know the impact of this decision.
- BA highlighted the speed of the process – legislation likely to be passed within 2 weeks.
- The knock-on effect will have a huge impact on the construction market, suppliers and some tenants.
- Regulator still saying that the sector should be carrying out rent consultations regardless! Sally Thomas, SFHA has gone straight to Michael Cameron, SHR for clarification on rent consultation and also for a template re non-compliance with the Annual Assurance Statement.
- AD advised that a couple of organisations in attendance at the meeting today, had already consulted with their tenants, who, thought the Govt

were very short-sighted in their decision, could see **why** they were doing it, but did not agree it was the right course of action.

AD assured Board that she would keep them apprised of events, in real time.

5.2 Assurance Statement Preparation

AD gave a verbal report on the above.

The two main Agenda items at next month's meeting are the 6 monthly Budget Review and the Annual Assurance Statement (AAS). Preparation for the submission of the AAS has raised a few queries:

1. Equalities & Human Rights – we have to make a statement on how we are working towards adopting a human rights approach in our work.
2. Tenant Safety – we still have some electrical inspections that are overdue and need to be reported on. IB confirmed that there has to be a 5 yearly safety certificate and unlike the gas safety compliance whereby the gas gets capped to ensure the safety, we can't cap the electricity meters.
3. Regulatory Standard 3 – The RSL manages its resources to ensure its financial wellbeing, while maintaining rents at a level that tenants can afford to pay. In view of the proposed legislation on rent freezes and moratorium on evictions, there will need to be some discussion and acknowledgement from Board that the impact of a rent freeze could mean that they can't ensure the financial wellbeing of the organisation.

6. AOCB

Nothing intimated to GR or AD prior to the meeting. GR concluded by thanking fellow Members for their support and confirming that, if anyone wished to contact him, it may be after 5pm before he is able to respond due to work commitments during the day.

Meeting concluded at 8.10pm